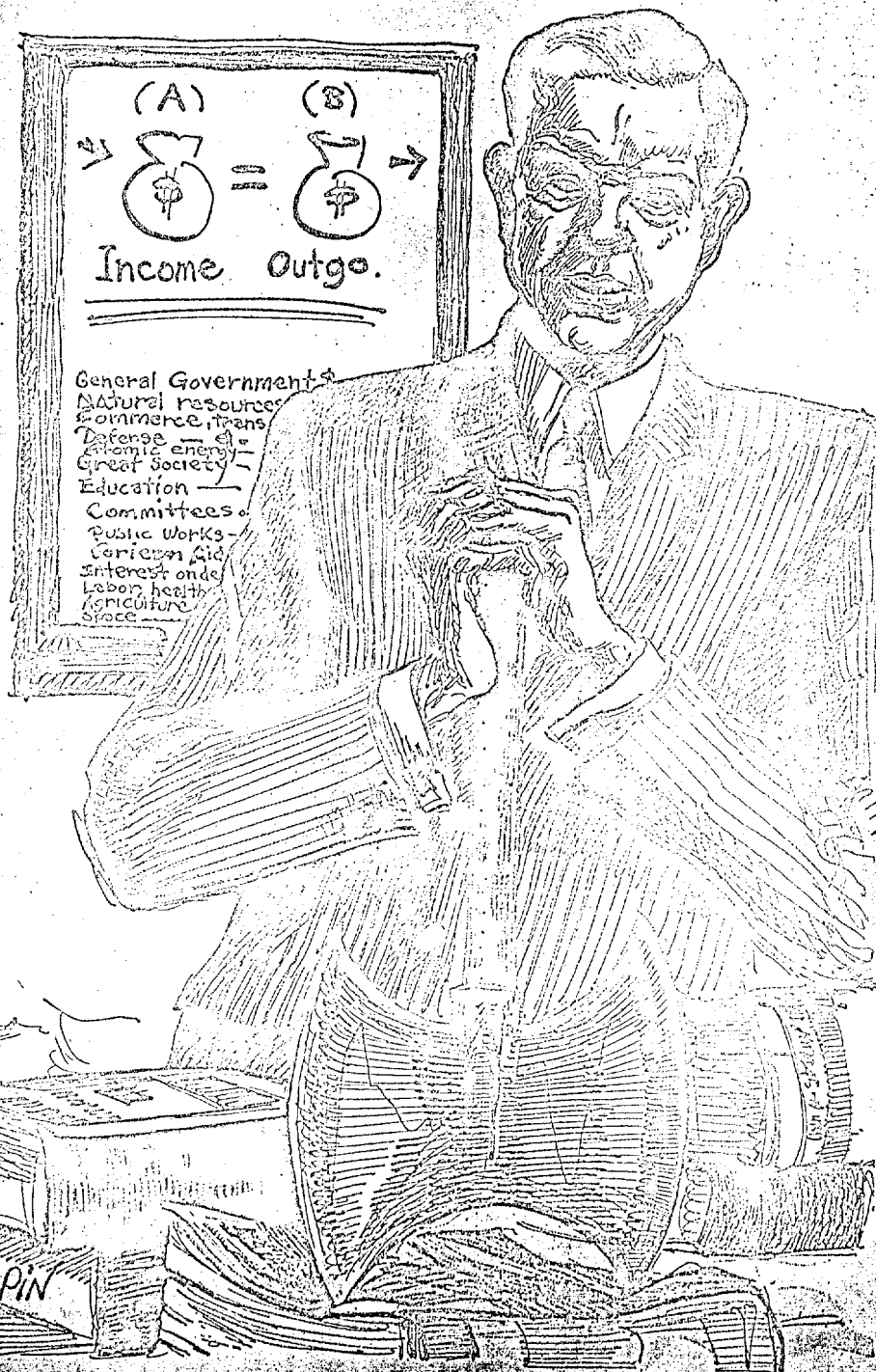


George Mahon wields a powerful ax

His House Appropriations Committee's budget cutting does not greatly affect the total level of federal spending. But it can vastly influence the way congressmen vote



John Maynard Keynes may have influenced President Lyndon Baine Johnson's economic policymakers. But he hasn't swayed George Herman Mahon.

This is significant because Mahon is a tall, lanky one-time Texas farm boy who, in 34 years as a congressman, has risen to head the largest and possibly most powerful committee in Congress—the House Committee on Appropriations.

Mahon (pronounced Mayhahr) symbolizes Congress' power over the purse. His committee weighs and passes upon the President's every budget request, whether it is for the war in Vietnam or a boll weevil laboratory in Tallulah, La. Spending requests now total 20% of the nation's income, exceed the sales of the top 40 industrial companies, and have momentous impact on the economy.

Two plus two. Mahon wants no part of Lord Keynes' new economics. His economic philosophy is clear and simple: Balance the budget. "I take the fifth-grade arithmetic approach," he says. "I try to do all I can to see that we pay our own way . . . that income equal outgo."

He sees federal spending as a means of running the government, not a method of stimulating the economy. If Congress doesn't tie spending to income, he warns, it will "lose all sense of orientation."

A majority of the 51-member Appropriations Committee concurs. In fact, there are few in Congress who view spending as a fiscal tool. One of them, Representative Henry S. Reuss (D-Wis.), a member of the Joint Economic Committee, complains that Congress can't act rationally on the spending level without considering its "macroeconomic consequences." But in Congress, he concedes, "This is an idea whose time has not yet come. Quips another: "Walter Heller is in another world."

Think thrifty. In accordance with